



2001-2002 ANNUAL REPORT

**Small Farm
&
Direct Marketing
Program**

Washington State Department of Agriculture

Valoria H. Loveland, Director

December 2002

Cover photo art by Leslie Zenz. This image illustrates the vast array of eggplant varieties that are grown in Washington and "test" marketed at farmers markets. The picture was taken at the University Farmers Market.

Other photo art by Leslie Zenz.



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Small Farm & Direct Marketing Program

Program Manager

Janet Leister

Prepared by Small Farm & Direct Marketing Staff

Leslie Zenz

Kelli Sanger

Content Editors

Meg VanSchoorl

Filiz E. Satir

Layout

Filiz E. Satir

Jeff Larsen

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Executive Summary

In Washington state, approximately 87 percent of farms are considered “small” as defined by the United States Department of Agriculture. In 2001, the Legislature took a major step towards improving the status of small farms by unanimously passing House Bill 1984. With its passage, the Small Farm and Direct Marketing (SFDM) Program was established at the Washington State Department of Agriculture (WSDA).

The mission of the department’s SFDM Program is to increase the economic viability of small farms, build community vitality, and improve the environmental quality of the region by facilitating direct marketing opportunities and addressing market barriers for small farms in Washington. As today’s agricultural markets become increasingly global and competitive, small-scale farms – unwilling or unable to compete in these wholesale channels – can use direct marketing strategies to ensure their economic viability.

SFDM was placed under the umbrella of WSDA’s Marketing Program as the domestic complement to the export focus of the International Marketing Program. The SFDM strategic plan targets four goals:

- Support small farms in complying with federal, state, and local regulations and policies as they apply to direct marketing of farm products;
- Facilitate direct marketing opportunities and promote localized food systems;
- Assist in developing infrastructure such as processing facilities, commercial kitchens, and distribution models to support market access for small farms; and
- Actively involve stakeholders in program development and increase customer awareness of SFDM activities.

This report reflects the achievements of the SFDM from its beginning in 1999 as a grant-funded project of WSDA through 2002. Beginning in 2001, the program now has one full-time and one part-time staff, an active advisory board, an operating budget of \$250,000 and a grant budget of \$450,000. In its short existence, the SFDM Program has addressed each goal of its ambitious strategic plan, and, as envisioned, is clearly contributing to the economic stability of small farms and their communities.

Highlighted achievements include:

- Assisted nearly 6,500 small farmers, consumers, farmers market managers and agencies with information such as direct marketing regulations and strategies, value-added processing, farmers market development, and agricultural tourism;
- Leveraged \$3.6 million in federal, state, and local resources for small farm and direct marketing projects in our state;
- Taken a lead role in national efforts to link local farms with local school cafeterias;
- Awarded \$450,000 to 26 local direct marketing projects statewide;
- Published the Handbook of Regulations for Direct Farm Marketing; and
- Created an Organic Resource Manual and 11 workshops to inform small farmers of how to acquire certification under the new National Organic Standards.

Development of WSDA Small Farm and Direct Marketing Program

In Washington state, approximately 87 percent of farms are considered to be “small” as defined by USDA.* For this reason, in 1999, WSDA successfully applied for a grant from the United States Environmental Protection Agency (EPA) to develop a program that would address the needs of small-scale farms in Washington.

In order to determine the needs of small farms and to avoid duplication of services provided by others, WSDA hosted a statewide “listening session” in November 1999. More than 50 small farm industry stakeholders and state agencies gathered in Olympia to determine the most pressing needs and to chart the course for this new program. The result of this meeting is best expressed in the program’s mission statement:

*The Small Farm and Direct Marketing Program
increases the economic viability of small farms, builds community vitality,
and improves the environmental quality of the region by facilitating
direct marketing opportunities and addressing market barriers
for small farms in Washington.*

Program Mission Statement

Over the next several months, WSDA continued to work closely with stakeholders to develop an ambitious strategic plan (*Appendix B*) that would address the mission of the program. WSDA presented this new plan for a statewide program along with a request of state funding to the 2001 Legislature. Industry-driven companion bills appeared in the House and the Senate (House Bill 1984 and Senate Bill 5613). House Bill 1984 and the budget request passed unanimously, dedicating \$150,000 in general funding for the new program.

2001-2002 Budget and staffing

Fund Source	Funding Amount	Staffing/Comments
State General Fund	\$ 150,000	1 full time staff; program expenses
Federal - USDA	51,951	1 quarter time staff; project expenses
Specialty Crop Grant Program	450,000	Local projects
Specialty Crop Grant Program	50,000	1 half time staff; expenses
TOTAL	\$ 701,951	

For fiscal year 2001-2002, the operating budget for the Small Farm and Direct Marketing Program was \$201,951. This budget was comprised of \$150,000 from the State General Fund, and \$51,951 from a federal grant dedicated to specific project activities. This budget supports one full time equivalent (FTE) manager, one quarter time coordinator and minimal

* See glossary for a definition of “small farm.”

operating costs for travel, administration, and associated costs. The program has spending authority to obtain grant funding up to \$150,000.

In October 2001, WSDA received Federal Specialty Crop Assistance Funding. Former WSDA Director Jim Jesernig, under the recommendation of a broad constituency of agricultural stakeholders, allocated \$500,000 to create a Small Farm Direct Marketing Grants Program to invest in farmers markets and other local direct marketing infrastructure. From this allocation, \$50,000 was reserved to hire a half-time grant coordinator and pay minimal operating expenses. The total remaining \$450,000 in grant funds were committed to 26 projects statewide.

Advisory board ensures effective statewide program

To ensure the Small Farm program continues to address the needs of the small farm industry, a Small Farm and Direct Marketing Advisory Board (*Appendix A*) has been formed. The 11-member Board is comprised of farmers, farmers market managers, and representatives of research institutions, independent retail stores, chefs, producers of value-added products, and agricultural support agencies. Drawing from both the westside and the eastside of the state, a diverse board membership provides WSDA with recommendations and guidance on activities that support all of Washington's small farms.

Strategic plan

The strategic plan for the SFDM program was developed through extensive planning with the SFDM Advisory Board, many individual small-scale farmers, WSU Extension and research personnel, and agricultural organizations. Avoiding duplication of services provided by other agencies and industry organizations was paramount to developing an effective plan.

Four main goals for the program were identified:

- To support small farms in complying with federal, state, and local regulations and policies as they apply to direct marketing of farm products.
- To facilitate direct marketing opportunities and promote localized food systems.
- To assist in developing infrastructure such as processing facilities, commercial kitchens, and distribution models to support market access for small farms.
- To actively involve stakeholders in program development and increase customer (i.e. farmers, chefs, market managers) awareness of program activities.

Program offers technical assistance to small farms

The first goal of the SFDM Program is to provide assistance for small farms in complying with federal, state, and local regulations.

Highlights

- Publishing the new edition of the *Handbook of Regulations for Direct Farm Marketing*. Also known as the “Greenbook,” this publication provides information on current regulations and policies, contacts for appropriate licensing, and a complete list of resource organizations and publications. To date, the “Greenbook” has been distributed to more than 3,000 farmers, farmers market managers and university extension personnel.
- Assisting more than 6,480 farmers, support agencies, consumers, chefs, and farmers market managers. Program staff handle an average of 55 telephone or e-mail inquiries each month. Assistance is offered in the following areas:
 - ☞ Regulations that pertain to direct marketing of farm products
 - ☞ Direct marketing strategies
 - ☞ Value-added processing
 - ☞ Eco-labels and organic certification
 - ☞ Farmers market development
 - ☞ Agricultural tourism
 - ☞ Grant writing
 - ☞ Resources for new farmers
- Direct assistance from SFDM staff resulted in a \$5,000 savings on taxes associated with licensing for a small farm cooperative.

Farm-to-Cafeteria projects make Washington national leader

Across the nation, states and non-governmental organizations have been working to address issues of hunger, children’s health, and small farm economic viability by linking local farms with local cafeterias. The SFDM Program is viewed as a leader in the ways in which it has enhanced small farm viability.

Highlights

- The program documented all Washington rules and policies concerning institutional purchasing; uncovered model programs across the U.S.; organized outreach workshops; and identified needs of both buyers and sellers in order to establish a baseline of information for *Farm-to-Cafeteria* programming.
- In February 2002, staff conducted a survey of all the K-12 school food service providers in the state to assess attitudes and current purchasing of local products. There was a 46.5 percent response rate on the survey. Results indicated that 77 percent of school food service providers are interested in purchasing locally produced foods.



Students enjoy fresh produce. The cafeteria at Evergreen State College features locally grown greens, tomatoes, cucumbers and more produce harvested from small farms in Washington.

- In early 2002, legislation was passed concerning the purchasing of Washington agricultural products by state institutions (HB 2657). The program collaborated with the Department of General Administration Office of State Procurement to encourage state purchasing of local products.
- SFDM staff coordinated a *Farm-to-Market Forum* in Yakima to provide outreach and facilitate marketing contracts between buyers and farmers. Approximately, 40 people attended this forum, conducted in both English and Spanish.
- In October 2002, staff presented WSDA projects at a *National Farm-to-Cafeteria* conference held in Seattle. More than 5,000 people attended. As a result of participation in this conference, Small Farm staff has been asked to serve on the advisory committee for the nationally-based Community Food Security Coalition.
- SFDM staff assisted in the development of a *Farm-to-Cafeteria* project in Olympia. Lincoln Elementary School has initiated an organic salad bar featuring locally produced foods. As a result of media coverage and the program's popularity among staff, students, and parents, two additional schools in the Olympia School District will be adding salad bars to their cafeterias during spring 2003.
- SFDM staff received a \$22,117 grant from the USDA Risk Management Agency to develop a Handbook for Farm-to-Cafeteria and to host four regional workshops to facilitate 2003 marketing contracts for institutional buyers and local farms.

Farmers Markets At A Glance

- ☞ In 2001, Washington farmers markets grossed \$15 million; up from \$5 million in 1997.
- ☞ About 1,400 vendors sell produce and other crops weekly at Washington's 80 farmers markets.
- ☞ Some 80 farms offer *Community Supported Agriculture* programs in which consumers "subscribe" for the entire season to receive fresh farm produce.
- ☞ The time between when food leaves the farm and arrives in store: 10 days. The time between when food leaves the farm and sells at a farmers market: 1 day

Resources leveraged for small farms

Since April 1999, the Small Farms program has directly assisted in leveraging more than \$3.61 million in federal, state and local resources for small farm and direct marketing projects statewide (*Appendix C*). This funding has been critical for the development of a direct marketing industry. Broad issues have been addressed through these funded projects, such as raising consumer awareness of local farms; training new entry farmers and farms that are seeking alternative marketing strategies; outreach on organic certification; and creation of appropriately-scaled infrastructure that allows market access for small farms.

Highlights

- SFDM staff co-authored a successful proposal to USDA's Initiative for Future Agriculture and Food Systems (IFAFS) resulting in *\$1.2 million for research that enhances direct marketing channels for small farms in Washington, Oregon, and Idaho*. SFDM staff lead a component of this research on investigating barriers in regulations and assessing potential solutions to address these barriers.

- SFDM co-authored a successful application for Vitamin Settlement funding to provide **\$597,500 in administrative costs for the Senior Farmers Market Nutrition Program** at the Department of Social and Health Services (DSHS). This funding enabled DSHS to leverage over \$90,000 in USDA food dollars for low-income seniors to buy directly from Washington farmers in 2002.
- An Organic Resource Manual, created by SFDM staff, provides information on the newly established National Organic Standards and organic crop and livestock production. Demand for this manual has exceeded the original printing of 1,500 copies. Program staff also held eleven workshops around the state providing direct technical assistance on acquiring certification.

Specialty crop assistance provides funding for direct marketing

In Washington state, the direct marketing industry is still in the beginning stages of development. Infrastructure, such as processing facilities for livestock, commercial kitchens, farmers markets, and distribution networks appropriate for small farms, remains a critical issue to address before small farms can realize the potential of these emerging markets. In October 2001, WSDA allocated \$500,000 from the federal **Specialty Crop Assistance Funds** to invest in local direct marketing infrastructure.

A **Small Farm Direct Marketing Grant** program was developed by program staff and the SFDM Advisory Board. Of the \$500,000 in funding for the program, \$450,000 was dedicated to direct investment in local projects and \$50,000 was earmarked for management of the grant contracts. Funding was offered in an open competitive process to public entities, non-profit organizations, and farmer associations. A total of 51 proposals were received, requesting more than \$1.29 million in funding. Of these, 26 proposals were funded (*Appendix D*) totaling \$450,000. From the funded projects, an additional \$992,160 was leveraged as match-funding. Results from these projects will be finalized in February 2003 and January 2004.



Rising River Farm, Olympia Farmers Market.
Produce grown on this farm supports a family of four.

Highlights

- Two new livestock slaughtering facilities have been developed that will allow small producers to sell retail cuts of meat, thereby realizing a larger profit margin than they would at live auction or custom markets. A steer selling for \$700 at auction can retail for \$1,500 as processed cuts.
- Two new commercial kitchens have been developed, allowing small farms to add value to their raw product.
- A new Farm-to-Cafeteria distribution pilot project has been funded to link more than 12 farms with five University of Washington cafeterias and with cafeterias at Harborview Medical Center.

- Nine farmers markets were awarded grant funding to assist with promotions, infrastructure development, and other marketing activities. Four new markets have been established as a result of funding.
- Early results from the first round of grants have demonstrated effective investment in the local projects that follow.
 - ☞ **Klickitat Wine Alliance:** This group hosted a *Harvest Festival in August 2002*, as part of their “From Grape to Glass” Wine and Winery Promotional Campaign, which guided visitors to wineries in the area. This festival increased weekend sales and visitor numbers to area wineries by 100-300 percent for all participating wineries. Final sales from the campaign will be available in December 2003.
 - ☞ **Bellingham Farmers Market:** A marketing campaign has proven to be successful for the Bellingham Farmers Market resulting in annual sales of more than **\$500,000** for market vendors. Because of the advertising and promotional campaign, **market revenue rose by \$80,879** over last year’s revenue, making this the highest sales year for the market since 1995.
 - ☞ **Partnership for a Sustainable Methow:** As a part of their "Buy Local Campaign" the Partnership hosted the first Lavender Festival in the Methow Valley area, resulting in more than **200 visitors** to regional farms. Initial sales data from the event demonstrates sales of more than **\$1,900** generated for the Lavender Association's booth at the Farmers’ Market.
 - ☞ **Spokane Neighborhood Action Program and the Spokane Farmers Market:** During *Farmers Market Week*, August 10-17, 2002, Spokane Farmers Market promotions resulted in **increased sales of 65%** for all farm vendors over the same time period the previous month.

Giving a voice to small farms

The SFDM Program provides a voice at the state and local government levels for the unique issues faced by small farms. This helps ensure that issues are heard from all segments of the Washington state agriculture industry. SFDM staff also collaborates with a broad range of agencies in order to address issues with a systematic approach.

- SFDM staff participates on the advisory board for the state **Department of Health’s Nutrition and Physical Activity Program**. This relationship has ensured that local food system planning is included in the development of a state plan to address improved health and reduce obesity in rural Washington communities.
- SFDM staff is making linkages with **Washington State Business and Tourism Development Office** to promote and assist agricultural tourism projects in both Spokane and Chelan counties. A statewide agricultural tourism network has been established by WSDA, WSU, and CTED to create a more vibrant farm/tourism industry in Washington state.
- SFDM is working closely with **USDA, WSDA Food Safety Program**, and personnel with local **health districts** to assist the small farms with understanding

current food safety regulations. Also, these working relationships build bridges between industry and regulatory agencies that have historically been stressed.

- SFDM is working with ***General Administration – Office of State Procurement*** to encourage the use of Washington agricultural products in state institutions.
- The Farm-to-Cafeteria project is engendering a working relationship between SFDM staff and ***Washington School Food Service Providers Association, Department of Defense, and Office of Superintendent of Public Instruction (OSPI)***. These relationships have centered on developing creative solutions for selling small farm products to Washington's K-12 schools.

Looking ahead

Several projects have been prioritized for the SFDM Program in 2003. Providing technical assistance on regulations and direct marketing strategies will continue to be the program's primary functions. The following highlighted projects carried out under the auspices of the SFDM Program will increase the profitability of small farms by providing information and networking opportunities to buyers and farmers:

- **Farm-to-Cafeteria Handbook.** The program will develop a guide that provides growers and institutional buyers with a roadmap of strategies and tips for successfully linking Washington farmers with Washington schools, universities, and hospitals. Additionally, SFDM staff will conduct four state-wide workshops for farmers, institutional procurement officials, and agricultural support agencies with tools and local resources that will directly enable linkages and marketing contracts.
- **Chef/Farmer Connections Directory.** Staff will publish a directory for the purpose of providing lists of both farmers who sell to restaurants and chefs that prefer to buy from local farms.
- **Farmers Market Step Manual.** This manual will provide cities, towns and counties statewide with information and local resources for establishing farmers markets.
- **Poultry forums.** The program, funded by USDA IFAFS, plans to host five statewide poultry forums in an effort to determine the most pressing needs and regulatory barriers for small farm, pastured poultry production.



Mixed greens growing on a farm in Western Washington.
Diversification of products is essential for farm economic sustainability.

Glossary of Terms

Agricultural Tourism

Also called *Agri-tourism*, this is a marketing strategy in which farmers host activities for the enjoyment and education of the public. Some activities include: overnight farm stays, farm tours, u-pick operations, festivals, petting zoos, farm museums and hayrides.

Direct Marketing

Direct marketing has become an effective way for small-to-medium-scale farms to achieve economic sustainability. *Direct marketing* occurs when the farmer sells products directly to the consumer. Farmers markets; direct sales to retailers; restaurants; and cafeterias; agricultural tourism; roadside stands; and u-pick operations classify as direct marketing strategies.

Eco-Labels

Eco-labeling refers to a production claim in the marketing of a farm product. The most commonly recognized eco-label is *Certified Organic*. Other terms include *Pastured Poultry*, *Grass-fed Beef*, and *Hormone Free*.

Farm-to-Cafeteria Programs

Farm-to-Cafeteria programs link farms with schools, hospitals, university cafeterias, and other food service providers. Examples that provide economic viability for smaller scale farms include: promotions highlighting farm suppliers and the benefits of purchasing locally grown products; school gardens as a part of school curricula; and farm field trips.

Senior Farmers Market Nutrition Program (SFMNP)

In 2000, former USDA Secretary of Agriculture, Dan Glickman, developed a pilot project for the purpose of providing food assistance funding to low-income senior citizens. These food assistance dollars may only be used to purchase fresh produce directly from farmers at farmers markets.

Small Farms: USDA defines a small farm as a farm with less than \$250,000 gross annual sales, on which the day-to-day labor and management are provided by the farmer and/or the farm family that owns, or leases the productive assets of the farm.

USDA Specialty Grant Program

In August 2001, President Bush signed into law an agricultural economic assistance package, directing USDA to provide \$159.4 million to states in support of activities promoting agriculture. Washington received \$10.1 million to aid specialty crop producers. The funds must be used to benefit “specialty crops” (crops that are *not* program crops: wheat, soybeans, and cotton).

Value-Added Processing

Value-added processing refers to increasing the value of a raw commodity so as to increase the price received by the farmer. Most commonly this is accomplished by turning a raw product into a processed food product such as jams and jellies, salsa, pies, and dried fruit. Adding value may also occur through specialty packaging (i.e. salad mixes), by-products, such as sheep skin blankets, and through promotion of production techniques.

Appendix A

Small Farm and Direct Marketing Advisory Board

Farmer Representatives

Wade Bennett

Rockridge Orchard & Bamboo, Enumclaw, WA

Wade is a farmer who is involved in the operations of the Enumclaw farmers market. He produces a value added product with his Asian pears. He is president of his local chapter of Farm Bureau.

Bruce Dunlop

Lopez Island Farm, Lopez, WA

Bruce is a sheep farmer on Lopez Island who was instrumental in the creation of the USDA inspected- mobile livestock slaughtering facility. He also sells value-added apple products.

Alfonso Garcia, Ph.D.

Yakima Nation, Toppenish, WA

Alfonso is the Executive Director for the Hispanic Grower Advisory Committee and the Intergovernmental Affairs Coordinator for USDA and The Yakama Nation. He works on issues for limited resource farmers, including the state's Hispanic and Native American populations.

Chrys Ostrander

Chrysalis Farm, Davenport, WA

Chrys is a farmer, a member of Spokane Tilth, has served on the board for the Spokane Farmers Market, and has shown leadership in Eastern Washington small farm affairs.

Farmers Markets Representatives

Zach Lyons

Director, Washington State Farmers Market Association, Seattle, WA

Zach is the Director for the Washington State Farmers Market Association. He serves on the advisory committee for the From the Heart of Washington campaign.

Chris Curtis

Manager, University District Market, Seattle, WA

Chris manages several very successful farmers markets in Seattle.

Marketing Representatives

Steve Evans

King Co. Ag Programs, Seattle, WA

Steve was a founding member of the Puget Sound Fresh campaign and currently serves as a "farmbudsman" to King Co.

Jennifer Hall

Bon Appetit Management Company, Seattle, WA

Jennifer is the general manager for Bon Appetit Management Company that operates food services at The Evergreen State College in Olympia, and other sites in the Seattle area. The company's mission is to locate foods as local as possible, and serve fresh, high quality and nutritious restaurant cuisine.

Karen Jurgensen

Baci Catering and Café, Seattle, WA

Karen is the executive chef for Baci Catering and Café in Seattle, and is president of the Washington chapter of the Chef's Collaborative.

Research & Education Representatives

Marcia Ostrom

WSU Small Farm Program, Puyallup, WA

Marcy is Director of the WSU Small Farms Program. She is a lead researcher of NW Direct. WSDA SFDM manager, Leslie Zenz is also a lead researcher on this four-year, three-state project.

Non-Governmental Organization Representatives

Mariah Cornwoman

CWRay, LLC, Farm and Forest Products

WA Sustainable Food & Farming Network, Wenatchee, WA

Mariah is a farmer in Wenatchee. She has served as an WSDA organic inspector, a board member for Wenatchee farmers market, and as a member of Washington Tilth Producers. She is currently a member of the leadership team for the WSFFN.

Appendix B

Strategic Plan

Fiscal Years 2001-2003

Goal #1: Support small farms in complying with federal, state, and local regulations and policies as they apply to direct marketing of farm products.			
	What Will Be Done	Performance Measure	Progress/Status Report
Objective 1	Facilitate access to information about current regulations concerning direct marketing of farm products	Provide 2,000 direct marketing farms, organizations and agencies with regulatory information. 80% customer find help to be useful.	3,000+ copies of Greenbook distributed. Mailing list for survey use. Between Aug. '01 - Nov. '02, 6,000+ people assisted.
Objective 2	Increase market access for small farms by assessing and developing solutions to regulatory barriers.		Forums on poultry processing in early 2003.
Goal #2: Facilitate direct marketing opportunities and promote localized food systems			
	What Will Be Done	Performance Measure	Progress/Status Report
Objective 1	Assist in Farmers Market development.	Three new markets developed statewide with combined sales over \$100,000/yr.	Four projects awarded in first round of grants to address farmers markets. 2 other awards given. Total sales from projects result in statement of performance measure.
Objective 2	Enhance farmers market funding through WIC FMNP and SFMNP.	USDA funding leveraged to support farmers markets and CSA programs	\$93,000 awarded to DSHS for SFMNP 2002. \$597,500 awarded to provide administration for SFMNP.
Objective 3	Provide funding opportunities and assistance in developing grant proposals with farmer groups and Non-governmental agricultural organizations.	Three proposals submitted annually.	Risk Management Agency grants (\$30,000) awarded to small farm projects at WSU and WSDA OFP in 2002.
Objective 4	Develop and administer Small Farm & Direct Marketing grant program with Specialty Crop Assistance (\$500,000)	Grant projects awarded & conducted with a high measure of success.	21 apps = \$622,000+ in requests for first round. \$210,766 awarded to 12 projects. \$648,445 leveraged from local funds to support projects.
Objective 5	Enhance small farm marketing to public institutions (schools).	Research providing documentation for technical assistance for stakeholders in developing Farm-to-School programs.	Documentation developed Survey of school buyers conducted. Program receives \$22,117 from RMA for Farm-to-Cafeteria Handbook.
Objective 6	Enhance marketing relationships between chefs and local farmers.	30 restaurants purchasing from local farms. 40% more farms listed in directory; direct sales to restaurants.	

Goal #3: Assist in developing infrastructure to support market access for small farms			
	What Will Be Done	Performance Measure	Progress/Status Report
Objective 1	Assess availability of USDA licensed slaughter , processing facilities for small producers, organically produced animals.	Two slaughter/processing facilities certified organic; Access barriers identified, process developed to address barriers.	Two grant awards made for projects in first round of grants. Also, NW Direct project to address this work.
Objective 2	Facilitate development of community kitchens for value-added processing.	Two new CK facilities within WA.	Two grant awards made for projects in this category in first round of grants.

Goal #4: Actively involve stakeholder s and increase ; Awareness of SFDM program activities.			
	What Will Be Done	Performance Measure	Progress/Status Report
Objective 1	Maintain communication Advisory Board.	SFDM Program developed with maximum stakeholder guidance.	11 seats filled; 3 seats remain open.
Objective 2	Outreach to farmers and stakeholders to increase awareness of Small Farm & Direct Marketing Program.	Stakeholder support for SFDM program established.	Outreach activities continue. To date, over 6,480 people have received assistance through outreach efforts.
Objective 3	Participate on WSU Small Farm Program Advisory Board.	Awareness of programming, increased collaboration, & avoidance of duplication.	* Additional advisory board work for DOH Nutrition and Physical Activity Program.

Mission Statement

The Small Farm and Direct Marketing Program increases the economic viability of small farms, builds community vitality, and improves the environmental quality of the region by facilitating direct marketing opportunities and addressing market barriers for small farms in Washington.

Appendix C

Leveraged Funding

1999-2002

YEAR AND FUNDING SOURCE	TOTAL AWARD
1999 – U.S. Environmental Protection Agency (EPA) Awarded to WSDA to develop a small farm program at the state agency.	\$40,000
1999 – USDA Sustainable Agriculture Research & Education Program (SARE) Awarded to WSDA to produce <u>Organic Resource Manual</u> and conduct technical assistance through workshops.	\$19,000
2000-2004 – USDA Initiative for Future Agriculture & Farming Systems (IFAFS) Awarded to WSU, this four-year, three-state project is titled “Northwest Direct: Improving Markets for Small Farms.” WSDA/SFDM staff co-authored this proposal and serve as a lead PI on the research project.	\$1.2 million
2001 – USDA Risk Management Agency (2 awards) Awarded to WSDA for National Organic Standards education outreach (\$10,000) and to WSU for small farm business development (\$20,000)	\$30,000
2001 – Washington Vitamin Settlement Funding Awarded to state Department of Social and Health Services (DSHS) for administration of USDA Senior Farmers Market Nutrition Program (SFMNP.) DSHS has leveraged over \$100,000 in federal food dollars for this program.	\$597,500
2001-2002 – USDA Specialty Crop Assistance Funding WSDA allocated this funding to develop a Small Farm and Direct Marketing Grants Program. This grants program has leveraged more than 1:1 in match funding for projects. Project sales will be reported in Feb. ‘03.	\$500,000 (USD4) \$992,155 (Local matching funds)
2002 – Kellogg Foundation: Sustainable Food Systems Hand-in-Hand, Farm-to-Cafeteria Project Awarded to Spokane Tilth: Member of Washington Tilth Producers to research opportunities for small scale-farms in selling to Eastern Washington University, Gonzaga University, Whitworth College, Spokane Falls Community College, and Spokane Community College. Staff co-authored this proposal and serves as technical advisor in its development.	\$10,000
2002 – USDA Risk Management Agency Awarded to WSDA to develop an “Institutional Sales Handbook” and conduct four statewide outreach workshops enabling sales contracts between local farms and local schools, hospitals, and other institutions.	\$22,117
2002 – USDA Value-Added Development Grant Program (VADG) Awarded to Cascade Ag Services, Inc. to develop processing infrastructure in Skagit Valley. WSDA provided information on the availability of grant program and provided letters of support letters for two successful projects.	209,000
TOTAL:	\$3,609,777

Appendix D

Small Farm and Direct Marketing Grants

Specialty Crop Assistance Funds ~ Projects Awarded Funding

Bellingham Farmers Market - \$10,900 to develop advertising and promotional materials, increase special events and activities at the farmers market, and create “meet the producer” profiles to use in market promotional activities. *Contact: Robin Crowder, market manager, (360) 647-2060.*

City of Burlington - \$9,000 to purchase kitchen equipment for an on-site commercial kitchen at the Burlington Farmers Market for growers to turn raw agricultural products into higher value products (i.e., raspberries into jams and syrups). *Contact: Emily Weaver, market manger, (360) 756-1339.*

Cascade Harvest Coalition (two grants) - \$17,000 to promote **Puget Sound Fresh**, a label used by farms and farmers markets for food grown in the counties surrounding Puget Sound and \$17,125 to provide technical assistance in direct marketing, production, and land acquisition for beginning and transitioning farmers through the **Washington FarmLink** program. *Contact Mary Embleton, director, (206) 525-1098.*

Klickitat Wine Alliance - \$10,000 to promote farm tours and a tasting room at the Mt. Adams Farmers Market including creating a brochure and other outreach materials. This grant is a component of a larger “Grape-to-Glass” initiative designed to create wine industry-centered tourism in Klickitat County. *Contact: Lisa McCrummen, Pearl Communications, (206) 547-2560.*

Lopez Community Land Trust - \$30,000 to provide outreach, demonstration, consulting, and evaluation activities for the first U.S. Department of Agriculture-inspected mobile processing unit for small-scale livestock in the U.S. The processing unit will initially serve producers in San Juan County, but operators intend to provide services as economically feasible in bordering mainland counties. *Contact: Sandy Wood, director, (360) 468-3723.*

The Partnership for a Sustainable Methow - \$19,971 to conduct a “buy local” campaign in the Methow Valley including harvest celebrations, farm tours, a direct sales farm directory, advertising, public service announcements, and farmers market improvements. *Contact: Leslie Ann Bestor, director, (509) 997-1050.*

Port Angeles Farmers Market - \$15,000 for promoting and advertising a new Wednesday evening market in Port Angeles. This project will greatly increase marketing opportunities for new farmers, as well as many seasoned farmers in Clallam County. *Contact: Kim Johns, market manager, (360) 683-3306.*

Tri-County Economic Development Council - \$20,400 to complete a commercial community kitchen in Colville and provide technical assistance in enterprise development, food safety, and product development for small-scale producers. *Contact: Al Kowitz, WSU extension, (509) 684-9790.*

Friends of the Woodinville Farmers Market - \$23,000 for site development and promotion of a new location for the market. *Contact: Julie Davidson, (425) 485-1042.*

WSU Community Agricultural Development Center, Stevens Co. - \$29,570 to develop a mobile poultry processing unit to increase the marketing capability of small-scale poultry farms in Stevens, Pend Oreille, Okanogan, Ferry, and Lincoln counties. *Contact: Terry Swagerty or Al Kowitz, WSU extension, (509) 684-9790.*

Cascade Harvest Coalition - \$27,050 to work with the University of Washington to develop an ordering, delivery and invoicing system so that small farmers can collaboratively market their produce directly to UW food services. *Contact: Wendy McClure, Project Leader, (425)-259-1755.*

Island Grown Farmers Cooperative - \$7,000 to determine the feasibility of selling grass-fed beef, pork, lamb, and value-added meat products directly to consumers at a retail meat cutting facility. *Contact: Bruce Dunlop, Project Manager, (360)-468-4620.*

Jefferson County Farmers Market Association - \$20,000 to develop advertising and promotional materials, and expand and improve the Farmers Market site in Port Townsend. This grant will increase customer awareness of the Port Townsend Farmers Market as a premier source of fresh, high quality regional and organic food products, and will provide increased sales opportunities for small farmers at the market. *Contact: Will O'Donnell, Chair, (360)-732-5054.*

Lower Yakima County Rural Enterprise Community Economic Dev. Committee - \$5,000 to conduct a feasibility study for a new farmers market in Sunnyside, Washington. This project will help to establish a new market and increase sales for small farms in Yakima County. *Contact: Bruce Ricks, Councilman, (509)-837-4257.*

Neighborhood Farmers Market Alliance - \$16,000 to start up a new Saturday market in Seattle's Magnolia neighborhood. This market is modeled after several successful Seattle neighborhood markets, and will provide increased sales opportunities for small farms across the state. *Contact: Karen Kinney, (206)-632-5234.*

Partnership for a Sustainable Methow - \$10,000 to determine the feasibility of building and operating an USDA Certified Mobile Processing Unit (MPU) for small scale livestock producers in Okanogan County. This grant is part of a larger project to allow livestock producers in Okanogan County to sell USDA certified meats directly to customers by the pound. *Contact: Sue Koptonak, Executive Director, (509)-997-1050.*

Pike Place Market Basket CSA - \$15,000 to expand the Pike Place Senior Market Basket CSA program by providing transportation solutions. The Senior Market Basket CSA program delivers fresh fruits and vegetables from Washington small farms to low-income seniors in King County. *Contact: Michele Catalano, Project Leader, (206)-774-5250.*

Snohomish Farmers Market - \$7,000 to extend the market-selling season and provide funding for market promotion and site improvements. *Contact: Neil Landaas, NeilCo Enterprises, Market Manager, (206)-412-4630.*

Spokane Regional Convention & Visitors Bureau - \$15,000 to increase profitability, livability and economic viability of the Green Bluff Agricultural Community in Spokane County by promoting Green Bluff as a destination for fresh fruits, vegetables, and other agricultural products as well as agricultural-tourism activities and events. Funding will also provide for directional and promotional signage for the region. *Contact: Jeanna Shelley, Director of Tourism Development, (509)-742-9372.*

UW Washington Sea Grant Program - \$15,500 to allow fisherman to sell their catch directly to the public by developing a business plan and opening up a “Fisherman’s Wharf” in Bellingham. This project will increase the value of Whatcom County commercial fishing industry and provide the public with a direct source for fresh caught fish. *Contact: Pete Granger, Marine Advisory Services Leader, (206)-685-9261.*

Washington State University - \$13,930 to research and evaluate safe storage and handling practices for the sale of fresh meats at farmers markets, and to conduct training to Washington farms on food safety and good agricultural practices. *Contact: Richard Dougherty, Food Science Specialist, (509)-335-0972.*

WSU Small Farms Program - \$14,195 to conduct “Rapid Market Assessments” at Farmers Markets across the state and conduct trainings for farmers market managers and board members who are interested in improving their markets. This project will provide increased sales for small farms by improving Farmers Markets’ customer and vendor base, and share knowledge about successful market strategies. *Contact: Vance Corum, Direct Marketing Coordinator, (360)-576-6030.*

Whatcom County Agriculture Preservation Committee - \$11,750 to promote the ***Whatcom Fresh*** label in grocery stores, restaurants and institutions as a source of fresh and high quality foods that are produced by Whatcom County farms. This project will increase retailer and restaurant commitment to purchasing and promoting local food products and increase the economic viability of food producers in the county. *Contact: Derek Long, Project Director, (360)-303-7776.*

Willapa Community Development Association - \$11,500 to develop a Friday market in conjunction with the established Wednesday and Saturday markets in Raymond, Washington. This project will create a destination for local residents as well as provide a source of fresh fruits, vegetables and seafood for visitors heading to the Washington coast. *Contact: Carol Dunsmoor, Willapa Public Market Manager, (360)-942-4700.*